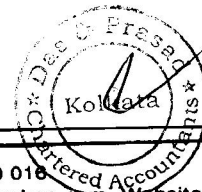




Limited Review Report -Standalone Financial Results

To
The Monitoring Committee of
Adhunik Metaliks Limited

1. We have reviewed the accompanying statement of unaudited standalone financial results of Adhunik Metaliks Limited (the "Company") for the quarter ended December 31, 2018 (the "Statement") attached herewith, being submitted by the Company pursuant to the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, read with SEBI Circular No. CIR/CFD/FAC/62/2016 dated July 5, 2016.
2. The preparation of the Statement in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34, Interim Financial Reporting (Ind AS 34) prescribed under Section 133 of the Companies Act, 2013 read with Rule 3 of Companies (Indian Accounting Standards) Rules, 2015 and SEBI Circular No. CIR/CFD/FAC/62/2016 dated July 5, 2016 is the responsibility of the Company's management and has been approved by the Monitoring Committee in discharging the powers of the Board of Directors which have been conferred upon it in terms of the applicable provisions of the Resolution Plan approved by the Hon'ble National Company Law Tribunal, Kolkata Bench (NCLT) on 17th July 2018. Our responsibility is to express a conclusion on the Statement based on our review.
3. We conducted our review in accordance with the Standard on Review Engagements (SRE) 2410, Review of Interim Financial Information Performed by the Independent Auditor of the Entity issued by the Institute of Chartered Accountants of India. This standard requires that we plan and perform the review to obtain moderate assurance as to whether the Statement is free of material misstatement. A review is limited primarily to inquiries of company personnel and analytical procedures applied to financial data and thus provides less assurance than an audit. We have not performed an audit and accordingly, we do not express an audit opinion.
4. **Basis of Qualified Conclusion**
We draw attention on following matters:
 - a) *The Company has not provided us with the bank statement/confirmations/schedules for the period under review in respect of 92 of its bank accounts. As per information and explanation given by the Company, debit-freeze instructions for the bank accounts issued by the Resolution Professional to the respective banks and till date those bank accounts were non-operational. In the absence of the statements/confirmations/schedules, we are unable to ascertain if there were any transactions during this period.*
 - b) *The Company has not conducted physical verification of inventory during the period under review, hence we cannot comment on the valuation, physical existence of the inventories lying at plant location as at December 31, 2018.*
 - c) *The Company has defaulted in transferring the unpaid dividend amount Rs.2.46 Lakhs, to the Investor Education and Protection Fund relating to dividend declared for FY 2010-11.*
5. **Emphasis of Matter**
Attention is drawn to following:
 - a) Note no. 4 of the accompanying results, stating thereto the matter of the Company incurring losses continuously and consequently the net-worth being eroded completely, the current liabilities exceeding the current assets, due compliance of CDR package not being met with and 'Strategic Debt Restructuring' (SDR) also having not been implemented. Consequent thereto, on July 11, 2017 State Bank of India, in its capacity as financial creditor had filed a petition under Insolvency and Bankruptcy Code, 2016 (IBC) with Hon'ble National Company Law Tribunal, Kolkata Bench (NCLT). On 3rd August 2017, the NCLT vide its order of even date, has admitted the Corporate Insolvency Resolution Process



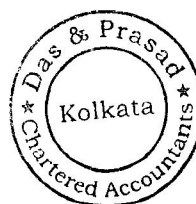
(CIRP) in respect of the Company. The NCLT had by its order dated 17th July 2018 approved the Resolution Plan submitted by Liberty House Group Pte Ltd ("Resolution Applicant"). The Resolution Plan is pending to be implemented and decision is awaited from Adjudication Authority (NCLT/NCLAT) with respect to next steps. Further as per the Resolution Plan, the Monitoring Committee, consisting of representatives of banks and Resolution Applicant, has been constituted for supervising the operation of the Company and monitoring the implementation of the Resolution Plan. Since there is a possibility of implementation of resolution as stated above, the financial statements of the Company have been prepared on a going concern basis. However, the Company has not recognised impairment loss on Company's property, plant and equipment. Hence the material impact due to non recognition of impairment loss cannot be ascertained at present.

- b) We draw attention to Note no 8 of the financial results, the Company had pledged its investment in Adhunik Power and Natural Resources Limited with Edelweiss Asset Reconstruction Company for the loan taken by it in earlier years, which was invoked by Edelweiss Asset Reconstruction Company during the current year, against which the Company is evaluating necessary legal action. Pending such legal action no financial impact has been taken in financial results during the quarter.
- c) Note no.6 of the financial results, relating to advances, trade payable, and trade receivable, are subject to confirmation/statements from respective parties as at December 31, 2018 and consequential effect upon reconciliation/adjustment arising there from, if any. Hence, financial impact if any is not currently ascertainable.
- d) Note no. 7 of the financial results, where as part of the CIRP, creditors of the Company were called upon to submit their claims to the Resolution Professional in terms of the applicable provisions of the Insolvency and Bankruptcy Code, 2016. Claims submitted by financial and operational creditors have been verified and admitted by the Resolution Professional. In some instances, the amount of claim admitted by the Resolution Professional is different than the amount reflecting in the books of accounts of the Company. Pending implementation of the resolution plan, no adjustments has been made in the books for the differential amount in the claims admitted. Hence consequential impact on such differences on claim submitted/admitted if any, on the financial results is not currently ascertainable.

Our opinion is not modified in respect of these matters.

6. Based on our review conducted as above, except for the possible effect of our observations described in the *Basis of Qualified Conclusion paragraph 4 above* and read with our comments in paragraph 5 above, nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in accordance with the recognition and measurement principles laid down in the applicable Indian Accounting Standards ('Ind AS') specified under Section 133 of the Companies Act, 2013, read with relevant rules issued there under and other recognized accounting practices and policies has not disclosed the information required to be disclosed in terms of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, read with SEBI Circular No. C.IR/CFD/FAC/62/2016 dated July 5, 2016, including the manner in which it is to be disclosed, or that it contains any material misstatement.

Das & Prasad
Chartered Accountants
Firm Registration No: 303054E



Anil Kumar Agarwal
Partner

Membership No.: 062368

Place: Kolkata
Date: February 14, 2019

Adhunik Metaliks Limited
Regd. Office : Chadrihariharpur, P.O. Kuarmunda, Sundargarh, Odisha-770039
CIN: L28110OR2001PLC017271

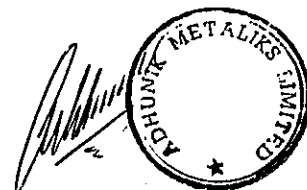
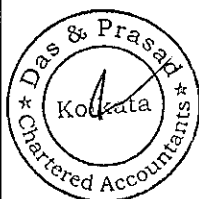
(₹ in Lacs)

UNAUDITED STANDALONE FINANCIAL RESULTS FOR THE QUARTER AND NINE MONTHS ENDED 31ST DECEMBER 2018

Particulars	Quarter Ended			Nine Monthly		Year Ended
	31st Dec 2018 (Unaudited)	30th Sep 2018 (Unaudited)	31st Dec 2017 (Unaudited)	31st Dec 2018 (Unaudited)	31st Dec 2017 (Unaudited)	31st Mar 2018 (Audited)
1 Revenue from operations						
a) Gross sales / income from operations	-	570.09	15,450.65	8,148.94	55,835.70	72,911.47
b) Other Operating Income	-	-	490.53	107.22	693.69	1,130.69
Total revenue from operations	-	570.09	15,941.18	8,256.16	56,529.39	74,042.16
Other Income	44.26	17.51	274.43	208.35	735.03	980.59
Total Income	44.26	587.60	16,215.61	8,464.51	57,264.42	75,022.75
2 Expenses						
a) Cost of materials consumed/sold	-	484.08	11,007.38	4,476.77	40,095.84	52,489.05
b) Purchase of stock-in-trade	-	-	-	-	58.67	58.67
c) Changes in inventories of finished goods, work-in-progress and stock-in-trade	-	71.17	2,219.37	1,298.13	5,768.49	9,019.36
d) Employee benefits expense	682.78	686.16	1,083.93	2,292.89	3,329.16	4,176.50
e) Finance Costs	8,699.30	8,468.46	7,978.68	25,244.41	22,967.28	30,941.22
f) Depreciation and amortisation expense	2,600.38	2,601.64	2,612.43	7,775.72	7,865.76	10,411.08
g) Excise Duty on Sales	-	-	-	-	2,004.47	2,004.47
h) Other Expenses	569.08	558.12	3,698.76	4,128.40	15,550.61	19,851.38
Total Expenses	12,551.54	12,869.63	28,600.55	45,216.32	97,640.28	128,951.73
3 Profit / (Loss) before exceptional items (1-2)	(12,507.28)	(12,282.03)	(12,384.94)	(36,751.81)	(40,375.86)	(53,928.98)
4 Exceptional Items net (Note 5)	-	12,744.43	-	12,744.43	29,741.63	36,051.23
5 Profit / (Loss) before tax (3-4)	(12,507.28)	(25,026.46)	(12,384.94)	(49,496.24)	(70,117.49)	(89,980.21)
6 Tax Expenses :						
a) Current Tax	-	-	-	-	-	-
b) Deferred Tax Charge/ (Credit)	-	-	-	-	-	-
c) Income Tax Related to earlier years (MAT Credit Reversal)	-	-	-	-	534.86	534.86
7 Net Profit / (Loss) after tax (5-6)	(12,507.28)	(25,026.46)	(12,384.94)	(49,496.24)	(70,652.35)	(90,515.07)
8 Other comprehensive income (net of taxes)	24.49	24.49	(38.29)	73.47	(114.92)	158.83
9 Total comprehensive income after tax (7+8)	(12,482.79)	(25,001.97)	(12,423.23)	(49,422.77)	(70,767.27)	(90,356.24)
10 Paid up Equity Share Capital (Face Value ₹10 per share)	12,349.95	12,349.95	12,349.95	12,349.95	12,349.95	12,349.95
11 Other Equity excluding Revaluation reserves	-	-	-	-	-	(202,044.87)
12 Earning per share :						
-Basic (not annualised) (in ₹)	(10.13)	(20.26)	(10.03)	(40.08)	(57.21)	(73.29)
-Diluted (not annualised) (in ₹)	(10.13)	(20.26)	(10.03)	(40.08)	(57.21)	(73.29)

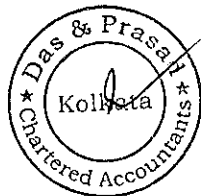
2) The financial results of the Company for the quarter ended 31st December 2018 has been approved and signed by the Monitoring Committee only to the limited extent of discharging the powers of the Board of Directors which have been conferred upon it in terms of the applicable provisions of the Resolution Plan approved by the Hon'ble National Company Law Tribunal, Kolkata Bench (NCLT) on 17th July 2018. The aforesaid financial results for the said quarter under Corporate Insolvency Resolution Period (CIRP) were reviewed by the statutory auditors.

3) The Company is in the business of manufacturing steel products and hence has only one reportable operating segment as per IND AS 108- Operating Segment.



- 4) Due to SDR having not been implemented, the State Bank of India, in its capacity as financial creditor had filed a petition under the Insolvency and Bankruptcy Code, 2016 (IBC) with The Hon'ble National Company Law Tribunal, Kolkata Bench (NCLT). On 3rd August 2017, the NCLT vide its order of even date, has admitted the Corporate Insolvency Resolution Process (CIRP) in respect of the Company. The NCLT had by its order dated 17th July 2018 approved the Resolution Plan submitted by Liberty House Group Pte Ltd ("Resolution Applicant"). The Resolution Plan is pending to be implemented and decision is awaited from Adjudicating Authority (NCLT / NCLAT) w.r.t. next steps. Further as per the Resolution Plan, the Monitoring Committee, consisting of representatives of banks and Resolution Applicant, has been constituted for supervising the operation of the Company and monitoring the implementation of the Resolution Plan. Pending implementation of resolution plan, the financial statements of the Company have been prepared on a going concern basis and no impairment loss on property, plant and equipment have been recognized.
- 5) a) During the quarter ended 30th September 2018, the Company has provided for impairment loss on investment amounting to ₹ 922.44 lacs which has been shown under the head exceptional item.
b) During the quarter ended 30th September 2018, the Company has made provision on doubtful advances/debts amounting to ₹ 11,821.99 lacs which has been shown under the head exceptional item.
- 6) Advances, Trade Payable and Trade Receivables are subject to confirmation from respective parties and consequential reconciliation / adjustment arising there from, if any. No material variation, however is expected.
- 7) As part of the CIRP, creditors of the Company were called upon to submit their claims to the Resolution Professional (RP) in terms of the applicable provisions of the Insolvency and Bankruptcy Code, 2016. Claims submitted by financial and operational creditors have been verified and admitted by the RP and the Resolution Plan has been submitted by the Resolution Applicant on the basis of the admitted claims. In some instances, the amount of claim admitted by the RP is different than the amount reflecting in the books of accounts of the Company. Pending implementation of the resolution plan, no adjustments have been made in the books for the differential amount in the claims admitted.
- 8) The investment in Adhunik Power and Natural Resources Limited ('APNRL') has been pledged against the loan taken by it which has been further assigned in favour of Edelweiss Asset Reconstruction Company. Edelweiss Asset Reconstruction Company has invoked the pledged shares against which the Company is evaluating necessary legal action.
- 9) Due to continuous losses leading to erosion of working capital and the Company has been unable to pay its operational creditors which has lead to shut down of manufacturing units post May-18 till the implementation of resolution plan.
- 10) Post the implementation of GST with effect from 1st July 2017, Revenue from operations is required to be presented net of GST. Accordingly, Revenue from operations for the nine-months ended 31st December 2018 is not comparable to the nine month ended 31st December 2017.
- 11) The figures of previous period/year have been rearrange to confirm to current period/year classification and presentation.

Place : Kolkata
Date : 14th February 2019



A circular stamp with the text "ADHUNIK METALIKS LIMITED" around the perimeter. To the right of the stamp is a signature and the text "For, Adhunik Metaliks Limited".
Ashish Chhawchharia
On behalf of Monitoring Committee
In terms of Approved Resolution Plan